GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:2683
ANSWERED ON:12.12.2005
QUANTITATIVE RESTRICTION ON AGRICULTURE SECTOR
Rajendran Shri P.

Will the Minister of AGRICULTURE be pleased to state:

(a) whether any study has been conducted by the Ministry or any agency concerned about the reflection of the lifting of quantitative restriction on agriculture sector particularly with regard to commercial and perennial crops;

(b) if so, the details thereof, item-wise;

(c) the total amount spent in this regard; and

(d) the steps taken to protect farmers from the price fall?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a)&(b): There has been no comprehensive study on the impact of liberalized imports of agricultural products on Indian Agriculture. However, some quick sectoral studies have been conducted to analyze the likely impact of liberalized imports on edible oils. The studies suggest that formulation of policies in respect of calibration of import duties on edible oils, application of new technology to increase production and productivity in oil sector and provision of marketing support to oilseed farmers should be linked to the Indian proposals in the WTO Agriculture negotiations. Recently the Government has brought out a study entitled `State of the Indian Farmer: A Millennium Study`, as a part of which `Globalization and Agricultural Liberalization in India` has also been studied. Based on various measures of import and export competitiveness, the study concludes that most of the important agricultural commodities in India are competitive and that India can withstand competition from abroad with respect to the import of most of the crops, at the current levels of tariffs. No specific study has been conducted regarding the impact on perennial crops.

(c) The total amount spent on the Phase-I of the Millennium Studies, which included study on `Globalization and Agricultural Liberalization along with 26 other studies was Rs. 158.18 lakhs.

(d): In order to ensure that the farmers of the country are not put to any hardship, the Government has put in place a suitable mechanism for monitoring the import of sensitive items and provides protection to the domestic producers by resorting to various WTO compatible measures which include appropriate calibration of applied tariffs within the bound levels and safeguard action under certain specified circumstances. As a sequel to these measures, import duties on a number of items including edible oils (both crude and refined), tea, coffee, copra and coconut, wheat, rice, maize, pulses, spices, arecanut, apple and cut flowers have been increased in the last 5 years. Further, the Government also implements a number of development programmes to increase the competitiveness of the Indian farmer. These include introduction of improved farming technology, improved availability of inputs including water, credit and fertilizer and price support through the Minimum Support Price (MSP) scheme and Market Intervention Scheme (MIS).